

Annual Report 2002

National Statistics Office, Malta,
2002

Published by the
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Annual Report 2002 / National Statistics Office, Malta. - Valletta: NSO, 2002.
x, 74 p.
ISBN: 99909-81-87-6

National Statistics Office publications are available from:

The Data Shop
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Printed in Malta by Interprint Ltd.

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1 November 2002

Chairman
Malta Statistics Authority

In accordance with the provisions of subsection 5(g) of the Malta Statistics Authority Act XXIV of 2000, I hereby submit to you this report on the operations of the National Statistics Office for the year ended 30 September 2002.

Since this is the first annual report of the National Statistics Office, the review covers a period of more than one year.

Alfred Camilleri
Director General

Our Mission

To serve the statistical information needs of Parliament, Government, and the community by striving for excellence through rigorous protection of confidential data, quality information from respondents and a timely, objective and responsive statistical service

INTRODUCTION

The National Statistics Office (NSO) is Malta's official national statistical agency. It provides statistics on a wide range of social and economic matters, covering the population in general, Government and the business sectors. The NSO also has an important co-ordination function with respect to the statistical activities of other official bodies in Malta.

The NSO was established by virtue of the Malta Statistics Authority Act XXIV of 2000 and replaced the ex-Central Office of Statistics as from 1 March 2001. Section 10 of this Act determines the functions and responsibilities of the Office which include the collection, compilation, extraction and release of official statistics relating to the demographic, social, environmental, economic and general activities and conditions of Malta. More specifically, the NSO is required to:

- provide on an impartial basis, quantitative and representative information about the economic, demographic, gender issues, social and environmental situation in Malta, to all users including the Parliament, the Government, institutions, social and economic operators, academic institutions and bodies and the general public. Where possible such data should be provided on a regional basis;
- produce the data which shall be subject to the principles of reliability, objectivity, relevance, statistical confidentiality, transparency, specificity, and proportionality. Moreover, the Office shall produce statistics which shall aim to mirror as faithfully as possible the real situations, disseminate the results to the public and the users thereof in a neutral and impartial way, focus on the phenomena which are essential for decision makers and honour the citizens' right to public information. Individual information in identifiable form, collected for statistical purposes, shall not be used for other purposes than as provided for in the Act;
- supply the information necessary to evaluate the quality of official statistics, and make accessible to the public the methods used for their production, and how the principles under which such statistics are gathered are complied with;
- provide such technical explanations of the result so as to avoid erroneous interpretation;
- conduct research on and further develop statistical methodology and technology;

- monitor and coordinate the carrying out of tasks with statistical implications imposed on other public bodies;
- co-ordinate the production of official statistics systems, including the necessary methodologies, with a view to ensuring timeliness and standardization of information, efficiency and the meeting of user requirements; as well as to provide appropriate classifications and conformity with international requirements and standards; and
- collect the necessary information, compile the results at appropriate levels and breakdowns and disseminate them to users.

ORGANISATIONAL DEVELOPMENT

Since the enactment of the Malta Statistics Authority Act in 2000 and its subsequent enforcement as from 1 March 2001, the NSO carried out intensive work for the development of an organisation structure that meets current needs and serves as a good platform for future challenges.

ORGANISATION STRUCTURE

The Office was organised into four divisions which in turn were organised into a number of functional units as follows:

SOCIAL STATISTICS

- Population
- Education and Culture
- Labour Market
- Living Conditions

BUSINESS STATISTICS

- Business Structures
- Enterprise Short-term Statistics
- Agriculture and Fisheries
- Tourism
- Transport

ECONOMIC STATISTICS

- National Accounts
- Government and Financial Institutions
- Balance of International Payments
- International Trade
- Consumer Prices and Purchasing Power Parities
- Environment, Energy and Regional Statistics

CORPORATE SERVICES

- Management Services
- Information Services
- Information Systems

In addition to the above-mentioned divisions and units another unit, Research and Methodology, has been placed under the direct responsibility of the Director General. Its objective is to carry out the NSO's statistical co-ordination function among all public sector organisations.

This organisation structure was approved by the Malta Statistics Authority Board.

The creation of the new organisation structure was accompanied by the drawing up of unit descriptions that provide an analysis of the work of each unit as well as by a staff complementing exercise. In addition to this, new staff positions were created while detailed job descriptions in respect of each position were devised.

COLLECTIVE AGREEMENT

The above-mentioned framework served as a good platform for the negotiation of the first Collective Agreement for the employees of the Office. This Collective Agreement was negotiated between the recognised union and the management of the Malta Statistics Authority between December 2001 and May 2002. The agreement, covering the three-year period 2002 - 2004, was signed on the 30 August 2002.

This Collective Agreement includes a package of conditions of work that is deemed to be beneficial to both the employees and to the NSO. However, apart from the conditions of work normally found in Collective Agreements, a novelty by way of a Code of Conduct and Practice for the employees working at the NSO was included in the Collective Agreement.

CODE OF CONDUCT AND PRACTICE

The adoption of this Code brings the NSO nearer to current developments in the more advanced countries. This Code is also deemed to be a natural extension and a reinforcement of the provisions of the Malta Statistics Authority Act. In particular it was established that:

- (a) The Code of Conduct and Practice demands the exercise of the highest professional standards on the part of all MSA employees and encapsulates the enduring principles guiding the production and dissemination of official statistics. These are enshrined in the seven principles of statistical integrity, impartiality, reliability, objectivity,

relevance, statistical confidentiality and transparency - basic principles that the MSA expects all its employees to respect and observe.

- (b) Employees are to conduct themselves in line with the Code of Conduct and Practice.
- (c) In carrying out their statistical work, employees have clear and distinct obligations towards their funding agencies, society at large, the data providers and users and their professional colleagues. Therefore in carrying out their statistical work, employees are expected to:
 - Operate with the utmost honesty, independence and integrity.
 - Produce statistics in an objective, scientific and unbiased manner.
 - Be open about all aspects of the statistical process.
 - Continuously seek to improve their professional competence, with respect to both their technical and management skills.
 - Set challenging service and quality standards and seek to achieve them.
 - Continuously seek to provide better value for money.
 - Maintain the relevance of their statistical activities to the needs of Parliament, the Government and the wider community.
 - Provide statistics that are fit for the purpose intended.
 - Complement statistics with interpretation and statistical advice.
 - Make statistics accessible to all.
 - Place the minimum load necessary on data providers and treat them with honesty.
 - Respect the confidentiality of all information given in confidence.

STATISTICAL POLICIES

In implementing the provisions of the Malta Statistics Authority Act and the above-mentioned Code, the NSO has drawn up and will introduce a number of statistical policies to act as guides to its operations and actions. These policies, covering confidentiality, statistical dissemination, media relations and the relationship between the NSO and the providers and users of statistical data are being reproduced as appendices to this report for ease of reference.

A draft policy and procedures for the implementation of the co-ordination functions of the NSO have already been drawn up and submitted to the Malta Statistics Authority Board for discussion and approval. The adoption and implementation of this co-ordination policy and procedures is expected to take place in 2003.

STATISTICAL INFRASTRUCTURE

Apart from the strengthening of the necessary legal infrastructure, the statistical infrastructure of the Office was also improved through substantial investments in three other important aspects of the Office's operations, namely:

PREMISES

Prior to 1999, the Office was housed in two separate buildings, the Auberge d'Italie in Valletta and in premises at Blata l-Bajda. This division was not beneficial to the Office. Although these premises were an improvement on yet earlier premises, they were not considered either suitable or adequate for a renewed and effective statistical office. Therefore, with the growing impetus for the establishment of a modern statistical service for the country, the management of the Office sought alternative and appropriate premises to house the organisation.

The opportunity to change these premises presented itself in 1997 when Government offered the Office large but dilapidated premises at Lascaris for their conversion into decent offices for a renewed organisation. In addition to this, Government committed itself to the provision of the required financial resources for the thorough conversion and refurbishment of these premises. Although dilapidated, these premises had the distinct potential of being large enough for the current and future needs of the Office. Furthermore, the original construction and lay-out of these premises was conducive to a relatively smooth and problem-free interior re-design and reallocation.

Very extensive work was started in 1997 and has continued in different phases over the years since then. Most of the required work was carried out by trades personnel from the Police Department. These were made available to the Office with the kind permission of the Commissioner of Police. This arrangement allowed the Office to carry out the required works in a phased and flexible manner which was in line with the financial resources made available by the Ministry of Finance. The last phase of this project, including the external landscaping and restoration of the building's exterior, is at an advanced stage of completion.

INFORMATION TECHNOLOGY

The substantial investment that went into the creation of appropriate office facilities was complemented by an equally important investment in the enhancement or creation of the required IT infrastructure for the Office. The creation of the modern IT infrastructure currently available to the Office was co-ordinated by a dedicated IT team from MITTS Ltd. Indeed this IT team has overseen the creation of a unified and versatile IT infrastructure that can compare quite favourably with that available to other statistical institutions elsewhere.

In the past few years, the National Statistics Office embarked on an extensive computerisation programme. This covered a number of business areas within the Office with the aim of providing a varied level of computerisation to support their data requirements. The work that was carried out included data capture programs, data repository, local and international reporting needs and Electronic Data Interchange (EDI) to Eurostat. Most of the work was carried out by MITTS Ltd. The following systems were among the initiatives undertaken:

INBOUND TOURISM SURVEY

With the introduction of the new tourism survey, a new system was introduced. This covered the data entry, data repository and the reporting from the survey. The data entry program was developed as a separate module to allow the capture of the survey questionnaires to be carried out at source that is, at the airport, by the interviewers themselves. This helped improve the quality of the data. The interviewer could then transmit the data from the workstations at the airport to the NSO via an on-line connection. This created an environment that enabled the data entry, and the subsequent compilation of the report, to be carried out in a much more timely manner.

ACCOMMODATION CENSUS

Apart from the required software to support data entry from paper questionnaires the accommodation census among all hotels was also developed as a web-based census. This census collects accommodation data from all hotels in the country on a monthly basis and enables hotels to submit their accommodation data electronically over the Internet. By this means, considerable reductions are made in cost and effort for both the hotels and the Office in the collection of this information.

LABOUR FORCE SURVEY

The first Labour Force Surveys were carried out in May and December 2000 and subsequently in every quarter. The questionnaire for this survey, which includes over 100 questions, posed a challenge to the development of the required software, this being the first of its kind in Malta. In the last two years various enhancements and changes were made to this survey's software in order to adapt it to the needs arising from the inclusion of annual 'ad hoc' modules in the Labour Force Survey.

BALANCE OF PAYMENTS

A sub-system for the data entry and reporting needs for the survey questionnaires for balance of payments purposes was introduced during 2001.

CONTINUOUS VOCATIONAL TRAINING SURVEY KULTURA 2000. CULTURAL PARTICIPATION SURVEY.

New software was prepared for the Continuous Vocational Training Survey and the Cultural Participation Survey.

HOUSEHOLD BUDGETARY SURVEY

The Household Budgetary Survey that was carried out in 2000/01 placed significant demands on the Office's IT team. The questionnaire required considerable analysis while the amount of detail that needed to be captured was substantial. The effort invested in the analysis of the questionnaire structure and the IT requirements was justified as the data entry and report compilation progressed exceptionally well.

RETAIL PRICES INDEX (RPI)

HARMONISED INDEX OF CONSUMER PRICES (HICP)

The development of the Retail Prices Index System, which covers the requirements of the Harmonised Index of Consumer Prices as well, started in 2001 and continued during 2002. Apart from using the latest software technologies, the new system will allow the NSO to compile the RPI and the HICP using the same system through the combination and integration of the required price collection into a single set of interviewing sheets. This system saves on the time, effort and costs required for data collection and capture.

INTERNATIONAL TRADE (INTRASTAT)

As part of its preparations for the eventual adoption of the EU's *acquis communautaire* in international trade statistics, intensive preparations are being made for the introduction of a survey-based trade statistics system that would replace the current system based on customs documentation. The eventual introduction of this survey mandates the development of the required software to support it. The data capture system for this survey has already been developed and will be launched together with the piloting of the survey in the fourth quarter of 2002.

AGRICULTURE

An extensive database for agriculture statistics was created together with software for a range of sectoral censuses and the Census of Agriculture carried out in November 2001.

DATA TRANSMISSION

The NSO has been actively following the initiatives organised by Eurostat for the development and sub-contracting of software tools that enable the transmission of statistical data between the NSO and Eurostat.

One major and ongoing initiative is the installation and upgrading of the Statel Hub. This software automatically polls client workstations at the NSO and transmits data to the STADIUM server in Belgium. To date, STADIUM is being used for the transmission of trade statistics, labour force survey data, balance of payments data as well as for the transmission of short-term enterprise statistics. STADIUM is also being used by the Library and Information Unit.

GESMES is the preferred format for data transmission to Eurostat. This was successfully implemented at the Balance of Payments Unit using the POLYVAL excel add-in. Currently efforts are being made to acquire the GENEDI tool, a

new application developed by Eurostat to generate GESMES for these type of statistics.

HUMAN RESOURCES AND TRAINING

The human resource base available to the NSO is its most precious asset. In the reform process of the Office adequate attention and appreciation was given to the considerable number of experienced staff members who have been working within the statistics office for a long time. Their experience and willingness to carry forward the change programme for the Office was complemented by an extensive and intensive training programme as well as by the recruitment of a number of appropriately qualified staff who could be trained to assist in the change programme for the Office. The more experienced staff members were charged with the implementation of this change programme. Under their guidance and with the assistance of new staff members, the NSO has managed to introduce an improved methodological base for national statistics, an expanded and more varied statistical programme, as well as to bring about considerable improvements in service delivery.

STAFF COMPLEMENT

As at the time of writing, the NSO had 136 staff members on its books, 55 men and 81 women. The following table provides a breakdown of NSO staff by age group and sex.

AGE STRUCTURE OF NSO STAFF

Age Group	Males	Females	Total
18 – 30	24	53	77
31 – 40	7	12	19
41 – 50	12	12	24
51+	12	4	16
Total	55	81	136

Although the Collective Agreement has been signed, the majority of staff members are still on loan from Government service. Indeed they have up to 28 February 2003 to decide whether to accept their offer of employment with the

NSO or else to revert back to Government service. In the event of the former, their temporary assimilation into the new grade structure of the NSO will be confirmed. The following table provides a breakdown of the NSO's staff complement at the time of writing.

Position	Males	Females	Total
Director General	1	0	1
Assistant Director	1	0	1
Senior Statistics and Research Officer	8	1	9
Principal	8	2	10
Statistician	18	13	31
Assistant Librarian	1	1	2
Assistant Principal	2	2	4
Mail Officer	1	0	1
Executive Officer	0	8	8
Clerk	8	25	33
Casual Clerk	0	11	11
Casual Field Officer	0	8	8
Casual Typist	0	1	1
Interviewer	1	8	9
Senior Messenger	2	0	2
Messenger	1	1	2
Senior Tradesman	2	0	2
Operative	1	0	1
Total	55	81	136

In addition to the above, the NSO regularly employs a number of Government employees as part-time interviewers in order to be in a position to carry out large-scale surveys such as the Labour Force Survey.

STAFF TRAINING

The NSO is a learning organisation. Its research activities and the wide and varied statistics programme cannot be sustained unless efforts are made to provide its staff members with the necessary methodological training and technical expertise in the statistical domains it deals with.

Staff members are encouraged and supported to undertake further studies and to attend a range of local and/or international training courses on a regular basis. In addition to this, staff members are required to participate in a number of international statistical meetings on a regular basis in order to facilitate the harmonisation and integration of the local statistical programme in its international counterpart. Participation in these courses and training is either financed from local resources or else from funding that is available under the Euro-Mediterranean programme on statistical co-operation and the EU's pre-accession strategy. The latter source has now become the major source of funding for the NSO's participation in Eurostat-sponsored training courses and meetings on statistics.

The following tables provide a broad overview of the number of local and international courses and meetings in which NSO staff members participated in the last two years.

LOCAL TRAINING: 2001

Type of Course	Males	Females	Total
Masters Degree	8	5	13
Diploma Course	0	2	2
IT Diploma Course	4	1	5
Management Courses	2	2	4
Accrual Accounting	1	1	2
Understanding the EU	2	0	2
Office IT productivity tools	5	7	12
Total	22	18	40

LOCAL TRAINING: 2002

Type of Course	Males	Females	Total
Masters Degree	7	3	10
Diploma Course	0	2	2
IT Diploma Course	3	1	4
Management Courses	12	4	16
Office IT productivity tools	6	15	21
Total	28	25	53

NSO PARTICIPATION IN INTERNATIONAL COURSES: 2001

Type of Meeting	Duration Days	Male Part.	Female Part.	Total Part.	Total Person Days
Swiss Population Census 2000	2	2	0	2	4
Short-Term Statistics	3	1	0	1	3
Price and Volume Measures in National Accounts	3	1	0	1	3
Statistical Data Exchange: GESMES/CB	2	2	0	2	4
Non-Observed Economy	3	1	0	1	3
Enterprise Statistics	6	2	1	3	18
External Trade Statistics	4	1	0	1	4
Sampling Techniques and Practice	6	4	1	5	30
Nomenclatures, Classifications and their Harmonisation	4	2	0	2	8
Migration Statistics	4	1	0	1	4
The European System of Accounts	3	0	2	2	6
Short-Term Statistics and Analysis	15	0	2	2	30
Agricultural Labour Input	1	1	0	1	1
Foreign Trade Statistics	5	2	0	2	10
The Methodologies and Surveys for Environment Analysis	6	1	0	1	6
Environmental Accounting	4	1	0	1	4
External Trade Statistics	4	1	0	1	4
Transport Statistics	4	1	0	1	4
External Trade Statistics	3	1	0	1	3
Business Registers	3	2	0	2	6
Quarterly National Accounts	4	2	0	2	8
Environment Statistics	6	1	0	1	6
Financial Accounts	3	1	1	2	6
Earnings and Labour Costs	2	0	1	1	2
Balance of Payments	2	2	0	2	4
Farm Structure Surveys	4	2	0	2	8
Environment Statistics	6	1	0	1	6
Farm Registers	4	2	0	2	8
Environment Statistics	2	1	0	1	2
Total		39	8	47	205

NSO PARTICIPATION IN INTERNATIONAL COURSES: 2002

Type of Meeting	Duration Days	Male Part.	Female Part.	Total Part.	Total Person Days
Structural Business Statistics	2	2	0	2	4
Earnings and Labour Costs	2	0	1	1	2
Sampling Issues and Quality Aspects	2	2	0	2	4
Non-observed Economy	6	1	0	1	6
Systems of Education Statistics	3	0	1	1	3
UK Med-Comext Programme Project	5	1	0	1	5
Tourism Statistics and Tourism Satellite Accounts	5	0	3	3	15
Principles of Publication and Dissemination of Statistical Products	5	0	1	1	5
The European System of Accounts	3	1	1	2	6
Effective Presentation of official Statistics to News Media	5	1	0	1	5
The European System of Accounts	3	2	0	2	6
Price Index Theory and Price Statistics	5	1	1	2	10
Dealing with Non-Response	7	2	0	2	14
Farm Structure Surveys	3	2	0	2	6
Environment Statistics	6	1	1	2	12
Systems of Social Statistics	5	1	1	2	10
The Use of Administrative Sources for Statistical Purposes	5	2	0	2	10
External Trade Statistics	3	1	0	1	3
On Job Training: Use of Information Tools	5	2	0	2	10
Farm Structure Survey, Typology and Standard Gross Margins	2	2	0	2	4
Earnings and Labour Costs	4	1	0	1	4
Government Finance Statistics and Financial Accounts	3	1	1	2	6
Introduction to Supervision and Management	7	2	0	2	14
Tourism Statistics and Tourism Satellite Account	2	2	0	2	4
Government Finance Statistics and Financial Accounts	5	0	1	1	5
Intrastat	4	2	0	2	8
Price Index Theory and Price Statistics	6	2	0	2	12
Forum on Tourism Statistics	5	0	2	2	10
International Migration	4	2	0	2	8
Total		36	14	50	211

PARTICIPATION IN INTERNATIONAL MEETINGS

In the course of the last two years, NSO staff members participated in a considerable number of international meetings and working groups on different aspects of official statistics. On many occasions, participation in these meetings was financed by Eurostat. Such participation is considered an important learning experience for staff members and contributes directly to our efforts to upgrade and harmonise the local statistical system to international standards.

NSO PARTICIPATION IN INTERNATIONAL MEETINGS: JANUARY-SEPTEMBER 2001 ...

Type of Meeting	Duration n Days	Male Part.	Female Part.	Total Part.	Total Person Days
Coordinated Portfolio Investment Survey (CPIS)	5	1	0	1	5
Local Coordinators Group	3	2	0	2	6
National Accounts of the Candidate Countries 2001	2	2	0	2	4
National Accounts	4	2	0	2	8
Fishery Statistics	3	1	0	1	3
Demographic Statistics and Population and Housing Censuses	2	1	1	2	4
Purchasing Power Parities	2	2	0	2	4
Enlargement Project on External Trade Statistics	3	1	0	1	3
Crop Product Statistics	2	2	0	2	4
Balance of Payments	4	1	0	1	4
Business Demography	2	1	0	1	2
The 14th Meeting of the STNE	2	2	0	2	4
3rd Meeting of the MGSC	2	1	0	1	2
Fifth Medstat Directors Committee Meeting	2	2	0	2	4
Med-Comext - National Co-ordinators for the Mediterranean Partners	2	1	0	1	2
Road Transport Statistics	2	1	0	1	2
MEDSTAT Reflection Group	1	1	0	1	1
Typology of Agricultural Holdings	3	2	0	2	6
National Co-ordinators Meeting - MED – IS	3	1	0	1	3
Purchasing Power Parities	4	2	0	2	8
Financial Accounts	2	1	0	1	2
Local Coordinators Group	2	2	0	2	4

continued...

... NSO PARTICIPATION IN INTERNATIONAL MEETINGS: JANUARY-SEPTEMBER 2001

Type of Meeting	Duration Days	Male Part.	Female Part.	Total Part.	Total Person Days
MED - Training Task Force	2	1	0	1	2
Statistical Programme Preparatory Committee: PRODCOM	2	1	1	2	4
Time Use Surveys	2	1	0	1	2
National Accounts	3	1	0	1	3
Business Statistics Directors Working Group Meeting	2	1	0	1	2
Short Term Statistics	2	2	0	2	4
Economic Accounts for Agriculture	3	2	0	2	6
Compliance Database	2	1	0	1	2
Purchasing Power Parities	2	2	0	2	4
Environmental Statistics and Environmental Accounts	3	1	0	1	3
Cultural Statistics	2	2	0	2	4
The 15th Meeting of the STNE	2	1	0	1	2
Regional Data and Statistics in Europe	2	1	0	1	2
Information Society Statistics	2	1	0	1	2
Balance of Payments	4	1	0	1	4
Maritime Statistics	3	1	0	1	3
Financial Accounts	2	1	0	1	2
Statistics on Accidents at Work	2	1	0	1	2
Policy Group on Statistical Co-operation	2	1	0	1	2
Tourism Statistics	2	1	1	2	4
Enlargement Project on External Trade Statistics	3	1	0	1	3
R & D and Innovation Statistics	4	2	0	2	8
Med-Comext III	2	1	0	1	2
Economic Accounts for Agriculture	3	2	0	2	6
Financial Services Statistics	2	0	2	2	4
National Accounts	3	2	0	2	6
Total		64	5	69	173

NSO PARTICIPATION IN INTERNATIONAL MEETINGS: 2002 ...

Type of Meeting	Duration Days	Male Part.	Female Part.	Total Part.	Total Person Days
Tourism Statistics	2	0	2	2	4
Sixth Directors' Committee Meeting of MEDSTAT	2	2	0	2	4
Local Co-ordinators Group	4	1	0	1	4
Bilateral Technical Consultations on Chapter 21	4	1	0	1	4
Statistics on Accidents at Work	2	1	0	1	2
Med-Soc Task Force	3	1	0	1	3
Fishery Statistics	3	1	0	1	3
Migration Statistics	2	1	0	1	2
National Accounts	2	1	0	1	2
External Trade Statistics	2	2	0	2	4
e-Europe	2	1	0	1	2
Purchasing Power Parities	4	2	0	2	8
Crop Production Statistics and Supply Balance Sheets	2	1	0	1	2
External Trade Statistics	2	1	0	1	2
MED-AGRI Task Force	2	1	0	1	2
Management Group on Statistical Co-operation	2	1	0	1	2
Financial Accounts	2	1	0	1	2
Balance of Payments	2	1	0	1	2
MED-NA - National Co-ordinators	2	1	0	1	2
Land Use Statistics	2	1	0	1	2
Purchasing Power Parities	2	2	0	2	4
Business Demography	3	2	0	2	6
Employment Statistics	2	0	1	1	2
AMRADS Workshop	3	2	1	3	9
Improvement of the Agriculture Information System (AGRIS)	2	2	0	2	4
Government Finance Statistics and Financial Accounts	10	2	0	2	20
Structural Business Statistics	2	2	1	3	6
Migration Statistics	4	1	0	1	4
Harmonization of Consumer Price Indices	3	2	0	2	6
CPIS Workshop	3	1	0	1	3

continued ...

... NSO PARTICIPATION IN INTERNATIONAL MEETINGS: 2002

Type of Meeting	Duration Days	Male Part.	Female Part.	Total Part.	Total Person Days
Short-Term Business Statistics	2	2	0	2	4
Purchasing Power Parities	2	2	0	2	4
Statistics on the Information Society	3	1	0	1	3
Short-Term Public Finance Statistics	3	1	0	1	3
9th Meeting of the Local co-ordinators Group	2	1	0	1	2
Compliance Database	2	1	0	1	2
Key Data on Education in Europe	2	1	0	1	2
Business Statistics Directors	2	2	0	2	4
Purchasing Power Parities	1	2	0	2	2
MEDSTAT Sub-Programme on Information System	4	2	0	2	8
Committee on Monetary, Financial and Balance of Payments	2	1	0	1	2
Management Group on Statistical Co-operation	2	2	0	2	4
Transport Statistics	2	1	0	1	2
National Accounts: Capital Formation	2	0	2	2	4
Farm Structure Survey	3	1	0	1	3
Estimation Methods at Constant Prices	2	2	0	2	4
NACE/CPA	2	2	0	2	4
Purchasing Power Parities	2	2	0	2	4
DGINS Conference	2	2	0	2	4
Total		66	7	73	187

STATISTICAL CLASSIFICATIONS

In the past few years, the NSO has taken significant steps towards the alignment of its statistical programme with international methodologies and standards. Such a move would facilitate the integration of the local statistical system within the international statistical system as well as improved comparability between local and international statistics.

A basic but important step in this direction was the adoption of international statistical classifications. Apart from the adoption of these classifications in its own statistical programme, the NSO is taking active steps for their adoption by

other public sector organisations engaged in the collection and compilation of statistics. The following international classifications are already well integrated or else are in the process of being introduced in the NSO statistical programme:

- *Nomenclature des Activités Economiques dans les Communautés Européennes* (NACE) Rev 1 and 1.1 for the classification of all enterprises by economic activity.
- Classification of Products by Activity (CPA) for the classification of imported or locally produced products. This classification has been or is being adopted in Business Statistics, International Trade Statistics, the Household Budgetary Survey and the National Accounts.
- Classification of Individual Consumption by Purpose (COICOP) for the classification of consumer expenditure as reported in the Household Budgetary Survey. Modified versions of this classification are also used for Consumer Prices Index purposes and in National Accounting.
- Classification of Types of Construction (CC) for the classification of construction units. This classification is being adopted in the field of Business Statistics.
- Combined Nomenclature (CN) for international trade statistics purposes.
- Country Nomenclature (Geonom) for tourism and trade statistics purposes.
- Malta Geographical Code (MGC) for the classification of Maltese territorial units in accordance with the requirements of the *Nomenclature des Unités Territoriales et Statistiques (NUTS)* as used on the European mainland.
- Government Finance Statistics (GFS) and European System of Accounts (ESA 1995) classifications for all Government budgetary items and revenue and expenditure transactions.
- Classification of Functions of Government (COFOG) for all the functions of Government.
- CORINE Land Use Classification, as adapted to the local circumstances and needs, is being used for land use purposes in Environment and Agriculture statistics.

RESEARCH AND METHODOLOGY

The Research and Methodology Unit of the NSO carries out research and development work in connection with all aspects of the NSO's surveying activities and provides related assistance and support to the other statistical units within the Office. The setting-up of this Unit was of strategic importance because it focused on and facilitated the development of new and alternative data collection systems and instruments in accordance with new and internationally harmonised methodologies. At the same time, it was not burdened by an existing statistics programme which, nonetheless, had to be maintained until its replacement became a viable alternative. Ever since its set-up and especially during the past two years, this Unit introduced and co-ordinated a significant number of sample surveys as follows:

- Accommodation Establishments Census
- Cultural Participation Survey
- Continuous Vocational Training Survey
- Household Budgetary Survey 2000/01
- Labour Force Survey
- Inbound Tourism Survey
- Carriage of Goods by Road Survey
- Time Use Survey
- Living Space Survey

In addition to the above, this Unit carried out a number of smaller surveys that covered the Homes for the Elderly, Expenditure on Marriages and Weddings, and Bird Hunting and Trapping. The Unit also provided the required technical and methodological support for the Labour Costs and Earnings Surveys, the Information Communication Technology Survey and the Domestic Waste Survey.

INFORMATION SERVICES

Ever since its setting-up five years ago, the Library and Information Unit (LIU) has continued to develop as a service-oriented Unit. The role of the LIU has been enhanced by the introduction of new services alongside the traditional library services in order to meet user needs. The specific and immediate needs of NSO clients are being met with services that make use of the latest developments in the ICT Sector.

The main objective of the LIU collection development is to provide users with a collection that meets their appropriate needs. This concept has to be developed within the parameters of available resources, both financial and human. The prices of journals and specialised books have gone up considerably in recent years, thus limiting the number of possible subscriptions. Furthermore, issues such as that of access versus acquisition are increasingly coming into consideration.

The development of the collection was given a considerable boost in 2002 due to an agreement that was reached with Eurostat regarding the supply of statistical publications. As from 2002 all Eurostat publications indicated by the LIU are being supplied free of charge. This has obviously given a boost to the Unit's budget, as Eurostat are one of our major sources for the acquisition of library materials.

The collection of the LIU now adds up to more than 10,000 items including statistical publications, textbooks, journals and an increasing number of CD-ROMs. The development of an electronic library is another project which is steadily taking shape. Statistical methodologies in PDF format from Eurostat and other statistical institutions will be made available to all NSO staff. These could also be made available to outside users subject to consideration of copyright issues.

The NSO web site is a prolific reference tool for the LIU and can be considered as the most important online branch of the collection. New services are continuously being introduced on the NSO web site; these provide the LIU staff, as information providers, with an essential point of reference.

The staff members of the LIU handle a continuously increasing number of information requests from a varied range of statistics users. This service is essentially provided for free. However, in cases where the amount of work required for the collection of information is substantial, a fee is charged for the

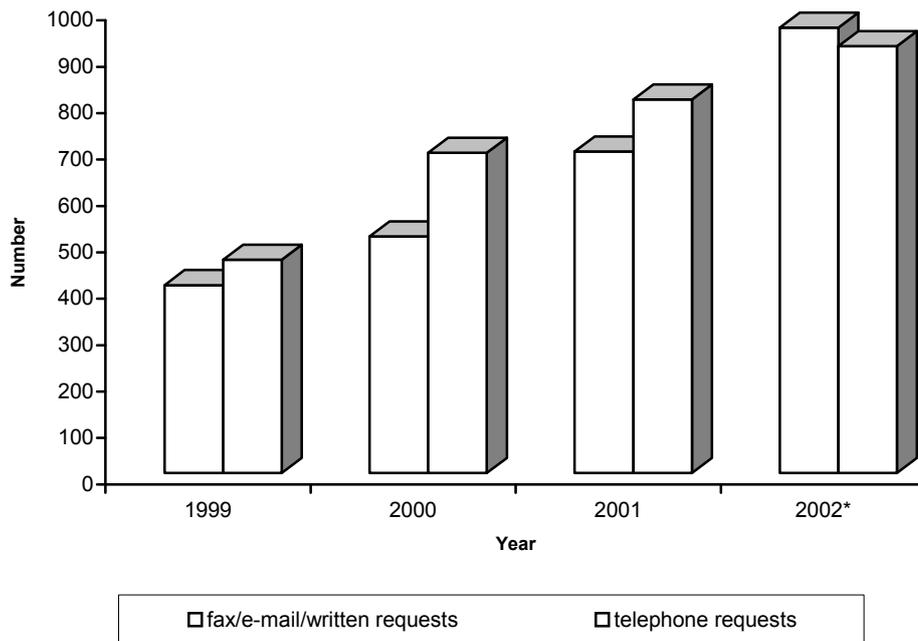
service. The following table provides the number of information requests received by the LIU by e-mail, fax and by post for the years 1999-2002:

REQUESTS FOR INFORMATION

Year	Number of Requests
1999	405
2000	510
2001	693
2002	960*

* projected

User Requests 1999-2002



* projected

These user requests do not include those requests that are received and handled directly by the different statistical units.

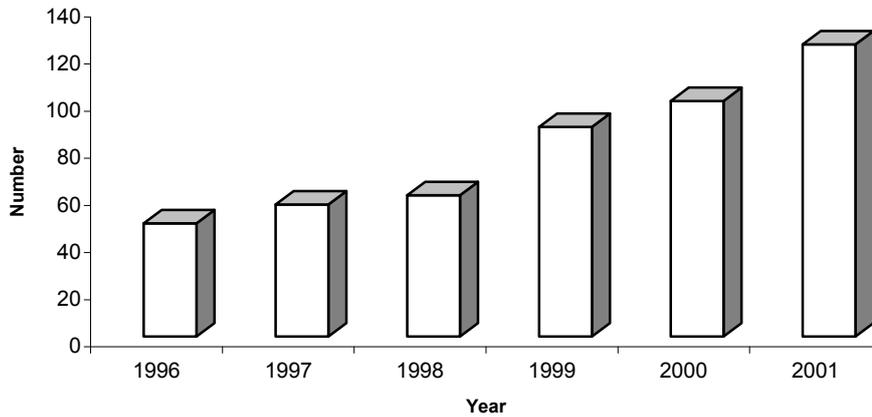
The desktop publishing branch of the LIU is responsible for the preparation, publication and dissemination of all NSO news releases as well as serial and one-off publications. Since their introduction in 1996, the number and variety of news releases increased considerably as follows:

NEWS RELEASES: 1996 - 2002

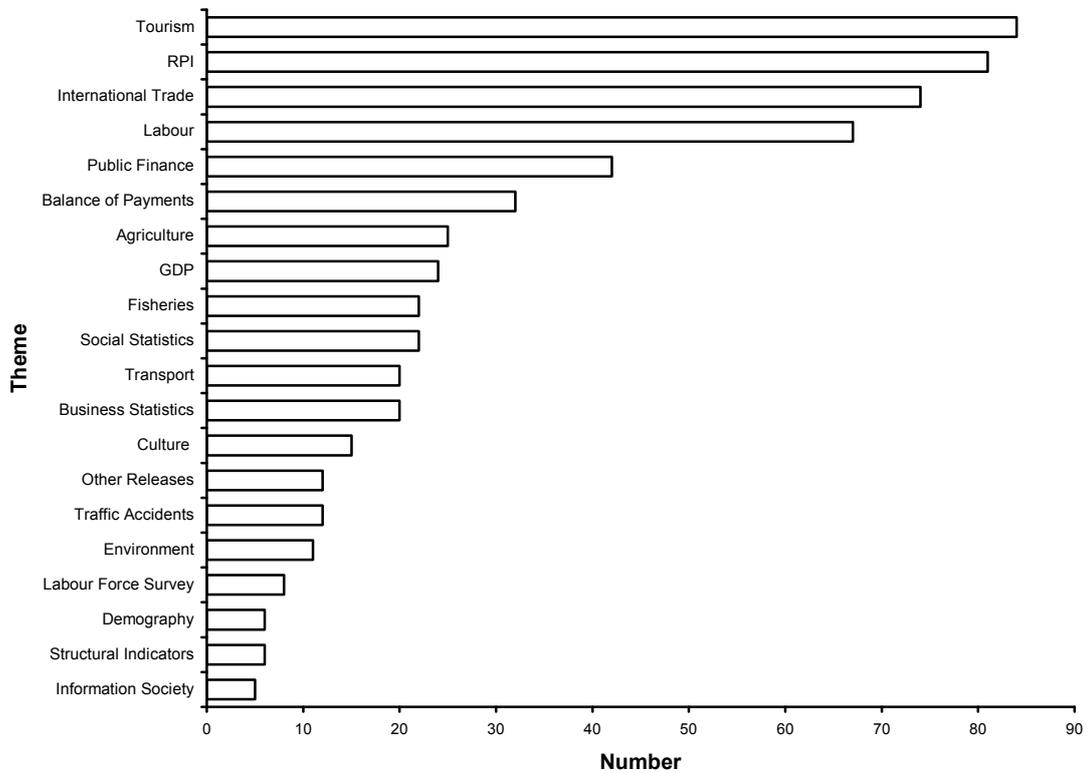
Year	Number
1996	48
1997	56
1998	60
1999	89
2000	100
2001	124
2002	140*

*projected

News Releases 1996-2001



News Releases by Subject 1996-2002



In the last few years, the NSO has increased the variety and number of annual publications. In the period 2001-2002, the NSO released the following publications:

- Industry Statistics, 1998 – summary tables
- Industry Statistics, 1998 – report
- Shipping and Aviation Statistics, 2000
- Education Statistics, 2000
- Continuous Vocational Training Survey

- Transport Statistics, 2001
- Malta in Figures, 2001
- Kultura 2000: a survey on cultural participation
- Demographic Review, 2000
- National Accounts of the Maltese Islands, 1999
- Trade Statistics, 2000 – summary and comparative tables
- Trade Statistics, 2000 – detailed statements of imports and exports
- Annual Abstract of Statistics, 1999
- Balance of Payments, 1999
- Social-welfare-oriented non-Governmental Organisations
- Children
- Shipping and Aviation Statistics, 2001
- Agriculture and Fisheries Statistics
- Transport Statistics, 2002
- Demographic Review, 2001

The following publications are in an advanced state of preparation:

- Environment Statistics, 2000
- Household Budgetary Survey, 2000
- Malta in Figures, 2002
- Abstract of Statistics, 2000

LEGAL OFFICE

The Legal Office continued with its support of the various statistical units within the NSO. Particular legal support aimed at improving response rates to surveys was provided to the following Units:

- Structural Business
- Tourism
- Transport
- Enterprise Short-Term Statistics
- Agriculture and Fisheries
- National Accounts

In fulfilling its obligations under the Malta Statistics Authority Act, the National Statistics Office must have the full support of data providers. However, although the NSO tries to exhaust all avenues in order to persuade its data providers to supply the required information, it must finally resort to legal assistance in order to achieve its ultimate objectives. The Legal Office does not accept cases referred to it without the necessary evidence that all the available means at the disposal of the statistical units have been exhausted. Moreover, before resorting to legal action, the Legal Office very often makes the necessary contacts with any recalcitrant individuals or enterprises in order to obtain the necessary information. These efforts normally prove successful.

The Legal Office provided the necessary legal assistance in the course of negotiations over the Collective Agreement for the employees of the Malta Statistics Authority. It is also involved in the drawing up of work contracts and other human resources matters where its assistance might be required.

NSO - USERS RELATIONSHIP

In the course of the past two years, the NSO continued to improve its visibility through increased contact with its client groups, the media and the general public. The general accessibility to official statistics continued to improve through a continuous stream of statistical news releases that are then carried by the print and the audio-visual media. In the two-year period covered by this report, the print media alone carried over 1,000 reports of these releases. Additional and, as yet, unquantified reports were also carried by the Internet-based media as well as by all the local audio-visual media. Moreover, these releases created a substantial number of commentaries both in the print and in the audio-visual media.

NSO staff members continued to participate in a series of television and radio programmes in order to elaborate on the latest statistical releases.

In addition to this, efforts continued to be made to present specialised surveys and statistical collections to the media and the general public through seminars specially organised for the purpose. After the positive experience gained from the media presentation on the Labour Force Survey and the seminar that launched the results of the Continuous Vocational Training Survey, the NSO organised two other seminars that ushered in the results of the Cultural Participation Survey and the publication entitled *Children*. The first event was held on 15 May 2002 while the latter, organised in collaboration with the Sir Adrian Dingli Junior Lyceum for girls, took place on 29 May 2002. Apart from presentations on the statistical material being published, these seminars were addressed by a number of persons who were invited to discuss the material being released. Furthermore, the general public was invited to attend these events.

Increased contacts continued to be made with the constituted bodies and various user groups. These culminated in a full day conference, financed by Eurostat, on "Accessibility to Official Statistics" that was held on 13 June 2002. Various user groups of statistics from within and outside the public sector participated in this event.

The NSO-users relationship is also the subject of a Statistics Users' Perceptions Survey currently being carried out by the NSO. This survey aims to identify user perceptions of and needs from the national statistical service with a view to improving the NSO's services to its various client groups.

ORGANISATION OF INTERNATIONAL EVENTS

In the past few years the NSO organised a number of meetings and courses with international participation in Malta. These events were financed by Eurostat. Hereunder is a list of such events organised in 2001 and 2002:

25 – 26 January 2001: National Migration Co-ordinators Meeting.

29 January – 2 February 2001: Defining, collecting and producing land-use and land degradation statistical data.

14-15 May 2001: Workshop on the Economic Accounts for Agriculture.

24-25 September 2001: 3rd Directors' Seminar for the Directors of the National Statistical Institutes in the Euro-Mediterranean region.

24-26 October 2001: Workshop on General Government Finance Statistics and Financial Accounts.

5-15 November 2001: Workshop on the Household Panel Survey.

4-8 March 2002: Workshop on the environmental statistician's profession.

5-7 September 2002: Training course on the collection and compilation of migration statistics

SOCIAL STATISTICS

POPULATION

The Demography Unit within the NSO is responsible for the ongoing collection of data on births, morbidity, deaths, marriages and migration.

In the past two years, action was taken to adopt the newly revised Malta Geographical Classification and the international geographical classification, the GEONOM, in demographic statistics.

Specific areas in the compilation of population statistics were given particular attention. Special emphasis was laid on the proper measurement of migratory flows to and from the country. This work was and is still being carried out in the context of an international co-operation programme in the field of migration statistics; a programme that forms part of MEDSTAT, the Euro-Mediterranean partnership in the field of statistics. Within this programme, a first level of data harmonization has been achieved.

The population projections that are being compiled by the Unit were the subject of a quality review by two experts in the field. In the wake of this review, the Population Unit has introduced new population projection techniques for the production and compilation of alternative future population projections that are subject to various assumptions and scenarios.

EDUCATION AND CULTURE

Education, Culture and Gender statistics are collected and compiled by the Education and Culture Statistics Unit. This Unit also collects statistics on continuous vocational training and lifelong learning.

- **Education**

Data for the production of Education Statistics are obtained through a postal census among all state and private educational institutions. These statistics are being produced according to international standards.

In the past two years several data gaps have been addressed. Data on the academic staff at the University and the Institute of Tourism Studies and on the teaching staff at the pre-education schools started being collected by single years of age according to international requirements. Data collection on school supportive staff has been introduced. The Office collected and released data on the teaching of English as a foreign language and on school absenteeism.

In addition to the above, the NSO compiled the first in a series of annual Education Expenditure Accounts. This account combines all public and private expenditure outlays into one account that aims to show the country's total investment in the educational system.

The NSO carried out a Continuous Vocational Training Survey the results of which were published and discussed during a seminar organised for the purpose.

- **Culture**

Up to a few years ago, the statistics related to culture were confined to museums, public libraries and radio and television. The available information on Cinema and other cultural activities was limited as well. In the course of these last years, the culture statistics programme was extended further.

Surveys were carried out in respect of libraries, museums, musical groups, Theatre and theatre groups, dance schools and dance groups, Cinema, the broadcasting media, music publishing and sales, book publishing and sales, music teaching and religious festivals. In addition, the NSO is carrying out surveys on youth and sport organisations.

The NSO carried out a Cultural Participation Survey the results of which were published and discussed during a purposely-organised seminar.

- **Gender Statistics**

A first step towards the production of gender statistics was taken in 1998 with the organisation of a workshop facilitated by a gender statistics expert from Statistics Sweden. This seminar was followed up by a first gender statistics publication, *Women and Men 1999*. In the course of last year, the NSO took decisive steps towards an update by critically reviewing this publication and the gender issues and concerns it tackles as well as by holding consultation meetings with several interested parties. Work on the production of a new edition of this publication is in hand.

LABOUR MARKET

Within the NSO, the Labour Market Statistics Unit is responsible for the collection and compilation of statistics on the labour market, employment and unemployment, labour costs and earnings, conditions of work, accidents at work, employers' and workers' organisations and foreign workers.

The NSO has registered considerable progress in the provision of a broad range of data on the labour market.

The Labour Force Survey (LFS), carried out in accordance with Eurostat's target methodology on the area entitled "Labour Force Survey: Methods and Definitions", was first carried out in May 2000 on a pilot basis. A second benchmark survey was then carried out in December 2000. Once the results of these surveys were analysed and released, the LFS started being carried out on a quarterly basis as from the first quarter in 2001. This year, the NSO's Labour Force Survey methodology was reviewed and audited by a foreign expert.

The NSO has started the necessary methodological preparations for the regular collection of statistics on labour costs and earnings. These statistics shall be collected in cycles of four years through appropriate surveys among a representative sample of enterprises. The survey on labour costs shall provide detailed comparable data on wages and related employer contributions. The purpose of statistics on the structure and distribution of earnings is to analyse the statistical relationship between the level of remuneration, individual characteristics of employees (sex, age, occupation, length of service, educational attainment levels, etc) and their employer (economic activity of the local unit, existence of collective agreements on pay, total number of persons employed etc).

The Labour Market Statistics Unit has also worked on the adoption of the European System of Accidents at Work (ESAW) methodology in statistics on accidents at work. The adoption of the ESAW is being implemented with the full co-operation of the Department of Social Security that collects all the relevant information in this area.

LIVING CONDITIONS

- **HOUSEHOLD BUDGETARY SURVEY**

In March 2000, the NSO started a new year-long Household Budgetary Survey (HBS). The fieldwork phase of this survey was concluded in March 2001. The survey was carried out in accordance with Eurostat's target methodology on the area.

The HBS provides information on the living conditions of private households in the Maltese Islands during a specific reference period. Expenditure is correlated with household characteristics such as income, socio-economic characteristics, size and composition, possession of consumer durables and others.

Data collection was carried out through personal interviews by a group of interviewers who were trained for the purpose.

Some 2,700 households took part in the survey. Each household was asked to supply information on its socio-economic background as well as on consumption expenditure patterns either in respect of the previous twelve months or in respect of the three-week period during which the household participated in the survey.

HBS data were coded in accordance with the Classification of Individual Consumption by Purpose (COICOP). A cross-reference between the COICOP and the Classification of Product by Activity (CPA) was also developed.

Apart from providing the necessary information for an update of the weighting frame for a new Retail Prices Index, the HBS provides invaluable information for National Accounting purposes as well. In addition to this, HBS data are being used for the compilation of indicators on income, poverty and social exclusion.

• **TIME - USE SURVEY**

The NSO carried out a pilot Time Use Survey (TUS) between 26 August and 27 September 2002. The reference week was between 9 and 15 September 2002. For this study, a random sample of 500 private households was selected from the Electoral database. Of these, 290 households, or 58 per cent, accepted to be interviewed.

The main questionnaire collected socio-demographic information, mainly the age, sex, employment status, occupation and salary of household members. Each household member aged 10+ years was then asked to list all the activities s/he carried out on two particular days during the reference week, one being a weekday and the other, a Saturday or Sunday. The main objectives of this survey were:

- To provide information on how people spend their time, e.g., paid work, unpaid household work, leisure activities, etc.
- To determine whether there is a significant difference in time-use among the various socio-demographic groups in society.
- To determine whether this survey can improve the estimates of the contribution to the Gross Domestic Product (GDP), mainly related to unpaid work including childcare, care for the elderly, household work and voluntary community work.

- To provide information on time-use which is internationally comparable.

The NSO followed Eurostat's recommendations for the implementation of the TUS. Activities were coded according to the following major categories:

1. Personal care
2. Employment
3. Household and family care
4. Voluntary work and meetings
5. Social life and entertainment
6. Sports and outdoor activities
7. Hobbies and games
8. Mass media
9. Travel and unspecified time-use

Where a respondent indicated that s/he carried out two tasks simultaneously, then both activities were coded. Moreover, respondents specified with whom they carried out the activities they listed and, where applicable, the location and mode of transport.

- **SURVEY ON INCOME AND LIVING CONDITIONS**

The NSO has taken the necessary steps to closely monitor the methodological developments of this new panel and longitudinal survey. This new survey is being planned for introduction on an ongoing and Europe-wide basis as from 2004.

BUSINESS STATISTICS

BUSINESS STATISTICS

STRUCTURAL BUSINESS STATISTICS

All structural business statistics are being collected and compiled by the Business Statistics Unit that, apart from the maintenance of the register of statistical units, carries out the annual structural business statistics surveys covering a growing number of economic sectors.

Plans for the setting-up of a Business Register on the lines of the Recommendations Manual on Business Registers were made in 1996. The relevant fieldwork was started in 1998 with the mailing of Business Register questionnaires to around 47,000 business units. This register is being maintained on an ongoing basis.

The Business Register is used for the compilation of business demography statistics and for the extraction of the required representative samples for enterprise-based surveys.

The NSO's structural business statistics programme has undergone a complete review. Whereas, traditionally, the Statistics Office collected and compiled structural business statistics in respect of water, energy, construction and manufacturing, the data collection programme has been widened to include most of the other productive sectors of the economy. Moreover, the methodological base for this programme has been fully harmonised with international standards and practices. Therefore, as part of its structural business statistics programme, the NSO is now collecting data from business units engaged in the following economic sectors:

NACE	Economic Sector
14.11/14.50	Mining and Quarrying
15.11/37.20	Manufacturing
45.11/45.00	Construction
50.10/52.74	Wholesale and Retail
55.11	Hotels
63.30	Activities of Travel Agents
60.21/60.24	Transport
61.10/62.20	Water Transport
63.11/63.23	Auxiliary Transport Activities
63.40	Activities of Transport Agencies
64.11	Posts and Telecommunications
65.11/65.23	Financial Intermediation
70.11/70.32	Real Estate
71.10/71.40	Renting of Machinery
72.10/72.60	Computer and Related Activities
74.11	Legal Activities
74.12	Accounting, Book-keeping, Auditing and Tax Consultancy
74.13	Market Research
74.14	Business and Management Consultancy Activities
74.15	Management Activities of Holding Companies
74.20	Architectural and Engineering Activities
74.30	Technical and Testing Analysis
74.40	Advertising
74.50	Labour Recruitment
74.60	Investigation and Security Activities
74.70	Industrial Cleaning
74.81	Photographic Activities
74.82	Packaging Activities
74.83	Secretarial and Translation Activities
74.84	Other Business Activities
92.11/92.13	Recreational, Cultural and Sporting Activities
92.20	Radio and Television Activities
92.31/92.34	Artistic and Literary Creation and Interpretation

Active steps have also been taken for the compilation of an Index of Production.

SHORT-TERM STATISTICS ON INDUSTRY

In the past two years, the NSO has established an ongoing short-term business statistics programme that is meant to highlight the state and nature of the business cycle.

A number of monthly or quarterly short-term business statistics surveys have been introduced in order to collect data on employment levels and compensation, turnover and investment in fixed assets. The economic sectors that are being covered by the programme are as follows:

NACE	Economic Sector
14	Mining and Quarrying
15 to 37	Manufacturing
40	Water and Energy
45.11 – 45.23	Construction
45.31 – 45.50	Building Completion and Installation
50 and 52	Wholesale and Retail
55	Hotels and Restaurants
60	Land Transport
61	Water Transport
62	Air Transport
63	Supporting and Auxiliary Transport
64	Post and Telecommunications
72	Computer and Related Activities
74	Other Business Activities

RESEARCH AND DEVELOPMENT AND INNOVATION STATISTICS

In the course of the last year, the NSO carried out a first innovation survey among a sample of enterprises. This survey was carried out alongside all the

countries of the European Economic Area. Information was collected on the innovation activities of enterprises with particular emphasis on:

- Product innovation
- Process innovation
- The effects of innovation on the performance of enterprises
- Research and Development activities
- The sources of funding for innovation activities
- The factors that assisted or hampered innovation activities

The data collected from this survey are currently being processed for eventual release.

In addition to the above, the Business Statistics Unit of the NSO, started working on two additional surveys in this area; one covering Human Resources in Science and Technology and the other, Research and Development in enterprises.

INFORMATION SOCIETY STATISTICS

In the year 2000, the NSO introduced an ongoing information society statistics programme. Quarterly data are being collected on cable TV subscriptions, the Internet, mobile telephones, pagers and voicemail, satellite dish antennas and transceivers. In addition to this, each of the surveyed enterprises are required to provide information on employment levels, wages paid and capital investment.

This survey is only one among other surveys being carried out among either business enterprises or households and which cover information society aspects as well.

- **Information and Communication Technology (ICT) Usage Survey**

In July 2002, the NSO carried out an ICT Usage in Households Survey among a sample of 1,500 households. The number of questionnaires returned was 1,149, which means a response rate of 76.6 per cent. The data from this survey are currently being processed. The first results are expected by the end of November 2002.

The main aim of the survey is to compile a set of indicators that provide a picture of the local situation regarding developments in the ICT sector. These data are

complementary to other statistics on the Information Society that are being collected on a quarterly basis.

In addition to the above, this survey provides information that would support Malta's full and active participation in the e-Europe+ programme for EU candidate countries. Furthermore, a number of indicators are required for the reports that are being compiled by the e-Malta Commission on a regular basis.

- **Information and Communication Technology (ICT) Usage in Enterprises Survey**

Work is in hand on an ICT Usage in Enterprises Survey that is being planned for the last quarter of 2002. The objective of such a survey is to collect indicators on ICT usage in local enterprises and their orientation towards e-commerce.

AGRICULTURE AND FISHERIES

After agriculture and fisheries statistics had ceased to be a distinct component of the national statistics programme in the early 1990s, these were re-introduced in a re-engineered and revamped format in 1998. In re-establishing this programme, the Agriculture and Fisheries Statistics Unit ensured that all its methodologies were in line with international practices in these areas. Since then, solid progress has been registered in the collection and compilation of agriculture statistics.

One of the first steps undertaken within the new programme was the compilation of an exhaustive farmers register. This register includes all those who work the available agricultural land, as well as those breeding and rearing livestock.

The establishment of the above-mentioned register and the compilation of an extensive and dynamic farmer-centred database that includes all the available, variously sourced agricultural statistics, including cropping data, was followed by a series of sub-sectoral censuses as follows:

- Agricultural holdings and land
- Greenhouses
- Area under vines and viticulture
- Area under fruit trees other than vines
- Porcine farms
- Cattle farms
- Poultry farms

Much of the collected data were also transferred to a GIS database that provides agricultural data on a digitised map of the country.

The above-mentioned actions were complemented by an extensive land use project that utilised remote sensing and aerial photography techniques for agriculture statistics purposes. This project, styled AGRISTAT, was carried out with the assistance of the International Centre for Ocean Dynamics (ICOD) of the Foundation of International Studies, University of Malta. ICOD took aerial photographs of the Maltese Islands and, following an extensive ground-truthing survey of the land, interpreted the vegetation and classified the resulting data in accordance with the CORINE Land Use Classification. This classification was adapted and extended up to level 5 in order to cater for local circumstances and requirements.

In November 2001, the first Census of Agriculture in over a decade was carried out. The data collected through this census have been validated and entered into an appropriate database. These are now being processed and analysed for publication purposes. A poultry farm census was carried out in the third quarter of 2002.

The Agriculture and Fisheries Statistics Unit has also carried out a Farm Accountancy Data collection pilot project. This survey provided a very useful insight of the income and cost structures within the local farming community. This work is now being supplemented by additional fieldwork meant to compile income and cost structures as well as the resulting standard gross margins from the cultivation of specific crop types or from breeding specific animals. Such information will prove invaluable for the identification of proper farm structures and typologies in respect of the local agricultural sector.

When it comes to agricultural statistics, the NSO has not limited its activities to primary data collection. Rather, it embarked on a programme of secondary data compilation and analysis that is meant to provide a clearer and more focused picture of the conditions under which our farming community operates and the significance of its contribution to the country's national economy. In this connection, fully-fledged Economic Accounts for Agriculture started being compiled in accordance with the relevant international target methodology. Agriculture input and output price indices are also being compiled on a regular basis. Moreover, estimates of the quantum of effort in terms of Agricultural Labour Input have also been worked out.

TOURISM

Tourism statistics are still being collected on a monthly basis by the Tourism Statistics Unit of the NSO from the disembarkation cards which all non-Maltese nationals have to fill in upon their arrival in Malta. However, plans are in hand for the phasing out of the disembarkation card following the removal of the embarkation card as from 1 January 2001.

In the light of these developments, the NSO introduced a survey on inbound tourism, styled TOURSTAT. This survey was introduced on a regular basis at the airport in October 2000. It is being run alongside the disembarkation card system so that its results can be properly calibrated prior to its adoption as the only source of tourism statistics in the country. A 2-stage sampling design was adopted. In the first stage, 8-hour shifts are being selected. Subsequently, passengers are selected systematically for interviewing purposes.

TOURSTAT provides statistics on the number of tourist arrivals and nights spent by non-residents in collective accommodation establishments. The survey also provides information on tourism by type of flight (chartered or scheduled), type of airline or shipping company used, purpose and frequency of visit, length of stay, localities stayed in, organisation of trips, modes of transport used inside Malta, type of accommodation used and expenditure broken down by package, non-package and other expenses.

TOURSTAT is being run by a group of interviewers who were recruited and trained for the purpose. They carry out personal interviews among departing passengers. After a validation process, they input the collected information in a database at the departures lounge of the Malta International Airport and transfer same electronically to the Tourism Statistics Unit at the NSO for further processing and report generation.

In January 2001, a census aimed at collecting data from collective accommodation establishments, styled ACCOMSTAT, was also launched. Collective accommodation establishments are being asked to supply monthly information on the number of persons staying at their establishments and nights spent, broken down by residents and non-residents. Additionally, they are required to supply the number of bedrooms and bed-places available.

Many accommodation establishments transfer their monthly data to the NSO via a web-based electronic questionnaire.

In the year 2000, the Tourism Statistics Unit launched an annual structural business statistics survey on hotels, restaurants and travel agencies.

TRANSPORT

The NSO has been collecting and disseminating air and sea transport statistics for quite a long time. The production and release of road transport statistics and related statistics on traffic accidents is a more recent addition to the office's statistical output.

The collection of air and sea transport statistics is currently being carried out within an integrated tourism and transport statistics programme. However, with the eventual removal of the embarkation card system and the phasing out of other source documentation, the NSO has made the necessary arrangements with both the Malta International Airport and the Malta Maritime Authority for the eventual transfer of the responsibility for the collection of air and sea transport statistics to these organisations.

The change and development of the necessary capacities within these organisations for the compilation of these statistics was accompanied by an effort to harmonise local air and sea transport statistics with international requirements. This harmonisation programme was facilitated by the NSO's participation in the Euro-Mediterranean MEDTRANS statistics project the objective of which is the harmonisation of transport statistics across the participating countries. In implementing this harmonisation project, the NSO sought the assistance of officials from the Malta International Airport and the Malta Maritime Authority.

With the assistance of the Police Department, the NSO embarked upon the collection of traffic accident statistics. These are now being collected in line with international requirements.

In the past year, the NSO carried out a pilot survey on the transport of goods by road in accordance with the relevant international methodologies on this area. This survey is being processed for eventual release.

A pilot survey on the international carriage of goods by road did not yield quality results for publication purposes.

In the course of last year, the NSO took the opportunity to improve the available statistics on the transport sector through the introduction of ongoing data collection on the structure and performance of the transport sector. This includes air, sea and land transport and a range of auxiliary transport activities and the activities of transport agencies.

ECONOMIC STATISTICS

NATIONAL ACCOUNTS

Malta has been producing annual National Accounts estimates since the early 1950s. Quarterly estimates were introduced in 1972.

In 1998, the Office embarked on a project with the ultimate objective of effecting the change of the current data collection and compilation of economic statistics to an institutional system of economic statistics that is consistent with the European System of Accounts (ESA) 1995.

The adoption of ESA 1995 is a substantial project that presupposes the availability of a strong system of basic statistics with classifications that are consistent with the system of National Accounts. In view of this, the adoption of ESA 1995 is normally implemented over a good number of years.

Apart from strengthening the human resource base of the National Accounts Unit, the NSO had to embark on an extensive training programme for its staff members in order to familiarise them properly with all the methodological aspects of ESA 1995. This training programme is still underway. The Unit was also provided with technical assistance on a number of aspects of this project.

In addition to the above, action was taken to strengthen the statistical system at the basic level. New statistical classifications that are consistent with the requirements of ESA 1995 were introduced across the statistical system. In this regard, the adoption of NACE for the classification of economic sectors and the CPA for the classification of products were steps in the right direction. The same can be said for the adoption of the COICOP for the classification of consumption expenditure. In addition to this, re-classification of all Government finance transactions in accordance with the ESA codification requirements provided a basic chip in the statistical infrastructure without which the adoption of ESA would have been extremely difficult.

The introduction of new data collection systems described elsewhere in this report, including a wider system of business surveys as well as the Household Budgetary Survey and the Labour Force Survey, provided new data sources that satisfy some of the extensive data requirements of ESA 1995.

In the course of last year, good progress was made on the compilation of the Output approach to National Accounts. In Malta, this approach has never been attempted before. The completion of the Production and Generation of Income Accounts is imminent. In the Institutional Sectors field, comprehensive accounts of the General Government and the Financial Institutions are now complete.

Moreover, considerable research on the non-observed economy was carried out in order to improve the coverage of our National Accounts estimates.

In the course of 2002, the National Accounts Unit carried out a major review of the methodology for the estimation of imputed rents for owner-occupied dwellings. The user-cost approach was adopted in an effort to align the current methodology to international practices.

For the first time ever, the NSO compiled a first set of Regional Accounts for Gozo. These GDP estimates were based on the guidelines set out in the European System of Accounts and on the more specific Regional Accounts Methods issued by Eurostat in 1995.

In addition to the above, work was also started on the adoption of the Classification of Individual Consumption by Purpose (COICOP) classification in the expenditure side of the National Accounts.

An important development in National Accounting was the introduction of real GDP estimates on a quarterly basis. These were first published in the first quarter of 2001. Since then, considerable improvements to these estimates have been carried out.

The National Accounts Unit provided the required weights for use in the PPP programme.

In the past two years, the National Accounts Unit was a key contributor to Malta's Notification on the Excessive Deficit Procedure. In addition to this, work was carried out in respect of the VAT Own Resource.

GOVERNMENT FINANCE

In the year 2000, a working group comprising NSO staff members and representatives from the Ministry of Finance, the Treasury and the Central Bank of Malta finalised a new chart of accounts in respect of Government finance transactions. All transactions were coded in accordance with the IMF manual on Government Finance Statistics as well as in accordance with the requirements of the European System of Accounts 1995. After the system was fully implemented, the reports generated from it were tested extensively in order to assess their quality and reliability.

NSO staff members actively contributed to the compilation of Malta's Excessive Debt and Deficit Notification to the EU Commission as well as to the work of a standing task force on Own Resources.

Work on the compilation of social protection accounts in accordance with the European System of Social Protection Statistics (ESSPROS) methodology in place at a European level is ongoing.

BALANCE OF PAYMENTS

As from the year 2000, the Balance of Payments Statement started being compiled and presented in conformity with both the guidelines set in the fifth edition of the International Monetary Fund (IMF) manual on Balance of Payments statistics as well as with the guidelines similarly set in the Balance of Payments *Vade Mecum* of the European statistical agency Eurostat. The data were revised retrospectively to 1995 and reconstructed so as to show quarterly and annual data on the international economic and financial transactions of Malta with the world, the European Union and (by deduction) the rest of the world.

Also, as from 2001, the Balance of Payments Unit undertook the important task of compiling, reconstructing back to 1994 and presenting the International Investment Position Statement (*or* I.I.P.) of the country. This statement, which is complementary to the balance of payments statement, is compiled and published once a year; it is intended to show the end-of-year stocks of external financial assets and liabilities of Malta vis-à-vis the world arising from transactions conducted by the banking sector, the non-financial enterprises, the central government and (partially) the household sector.

Additionally, the Unit is compiling two new statistics; one concerning Foreign Direct Investment (FDI) statistics and another concerning Portfolio Investment statistics. As regards FDI statistics, the Unit has already presented aggregate information relating to stocks and flows data on direct investment in Malta and abroad. With regard to our participation in the CPIS 2001 (Coordinated Portfolio Investment Survey) conducted by the IMF, the Unit has compiled information with regards to portfolio assets held abroad, by sector, as at 31 December 2001.

Undoubtedly, producing the above compilations requires both significant effort as well as heavy investment in human resources and technology. As a result, the Balance of Payments Unit has, over the past two years, embarked on a project of creating a new detailed survey system (based on direct reporting) and the supporting software necessary for the capture, retrieval and presentation of the information in the shortest time possible.

Timeliness and detailed information are essential prerequisites for an efficient statistical system; and this is becoming increasingly solicited not only by the

various users, but also by the international statistical bodies to whom the National Statistics Office is committed to submit the various statistical compilations.

In view of this, the Balance of Payments Unit is currently publishing the Balance of Payments Statement by the end of the third month following the quarter to which the compiled statement would be referring. It should be pointed out that the Unit is also compliant with some of the standards for the dissemination of the compiled data usually referred to as GDDS/SDDS. Also, in order to satisfy international (namely Eurostat) requirements, it is transmitting the statement to the IMF and Eurostat on the same day that it is published using (in the latter case) GESMES /cb message and STADIUM.

INTERNATIONAL TRADE

The NSO has generally adopted the recommendations of the United Nations in the compilation of international trade statistics. These statistics, based on Customs declarations, date back to the 1940s. Until 1989, the SITC Rev 1 (revised) was in use. In 1990, the Customs authorities adopted the Harmonised System (HS), adding on another 2 digits for national requirements. On 1 January 1995, the Maltese Customs Tariff based on the Integrated Tariff was created for the first time. It is the basic legal instrument underlying the classification of goods and shows all sales that are subject to indirect taxation, as well as other relevant information. Its structure is based on the EU's Combined Nomenclature, plus 2 digits for national purposes.

The Customs authorities introduced the Single Administrative Document (SAD) as from January 2001.

Malta applies both the general and the specially devised trade system. The following are not included in international trade statistics: (i) personal and household effects, (ii) fresh fish caught in Maltese territorial waters, (iii) goods sent or received by Diplomatic missions, (iv) repairs and services, (v) monetary gold, (vi) goods entering the Freeport. Imports and exports are shown as CIF or CF and FOB values respectively. In the Maltese system, the country of origin for imports and the country of final destination for exports are indicated.

In the course of the past two years, the International Trade Statistics Unit introduced the following classifications in trade statistics:

- NACE for the classification of imports and exports by economic sector;
- CPA for the classification of products by economic sector;

- GEONOM for the classification of the countries of origin and destination of trade flows.

In addition to this, the Unit linked up with the COMEXT international trade statistics database at Eurostat. This database provides comparable international trade statistics for a large number of countries. This, together with the adoption of new software for report generation, facilitates the provision of international trade data to clients.

In the period under review, extensive preparatory work was carried out on the possible introduction of INTRASTAT: a survey-based international trade statistics system meant to replace Customs documentation in the eventuality of Malta joining the European Union. A Eurostat-appointed expert provided the required technical assistance for the creation of the necessary infrastructure for INTRASTAT. A pilot test of this system is expected in the last quarter of 2002.

The preparatory work for INTRASTAT involved an intensive consultation process with the Customs authorities, the VAT Department and MITTS LTD.

CONSUMER PRICES AND PURCHASING POWER PARITIES

In the course of last year, the Consumer Prices Unit prepared the necessary groundwork for the introduction of a new Retail Prices Index (RPI) series with new weights as resulting from the Household Budgetary Survey 2000/01. A new weighting frame for this index was prepared and samples of representative items for the new index were identified and selected. The sample of retail outlets for price monitoring purposes was also the subject of a thorough review. Monthly price collection in respect of the items for the new index started as from January 2002.

In addition to the above, the NSO familiarised itself with the methodology of the Harmonised Index for Consumer Prices (HICP). This index is the main indicator recording price changes on a Europe-wide level. Although from a methodological standpoint the local RPI is at variance with the HICP, the sub-indices of the former could be utilised to compile an interim HICP for Malta. At the same time, work on the adoption of a fully harmonised HICP for Malta is at an advanced stage.

It is estimated that with the old RPI series and the new RPI and HICP series running concurrently, the Consumer Prices Unit had to manage the collection of around 25,000 prices per month. This amounts to around 300,000 prices a year. This, apart from other surveys that cover fees associated with rents, doctors,

dentists and consultants, private tuition, schools and school transport, child minding services, Homes for the Elderly, and veterinary services.

Malta was included in the work programme of the European Comparison Programme (ECP) for Purchasing Power Parities (PPP) purposes as from September 1999. The NSO forms part of this programme's southern group which is being co-ordinated by Italy. Initially, the NSO was required to compile prices data in respect of some of this group's past surveys so that Malta would qualify for early inclusion in the PPP publication. This catch-up programme was finalised in April 2000. The NSO is now fully integrated in all PPP work and is working on this programme on an ongoing basis in line with all the counterpart institutions participating in the ECP. In the past year, surveys for the collection of prices of food, furniture, medicines and transport were carried out by the Consumer Prices and PPP Unit in accordance with the ongoing PPP programme.

ENVIRONMENT STATISTICS

The environment as the subject of a statistical domain in its own right is a relatively new addition to the NSO's statistics programme. In 1998, a modest publication, *Malta at a Glance* marked the NSO's initial foray into this new area. The NSO sought and obtained the assistance of Plan Bleu for the establishment of an integrated environment statistics programme.

The assistance provided by Plan Bleu was financed by Eurostat through its Med-Environment programme of statistical co-operation which is part of the Euro-Mediterranean initiative. As a result of this, a small core group of NSO staff members and other persons from various public sector institutions were trained in various aspects of environmental data collection and analysis.

As a first step the NSO compiled an inventory of environment data sources. This was followed by an intensive programme of meetings with data suppliers in order to explain the objectives of this programme and to establish a sustainable system of data flows from the various data suppliers to the NSO. Thereafter, all the collected data were compiled into an integrated environment statistics database. The statistics that were collected covered, among others, land use, water, waste, wildlife, climate, energy, the marine environment and air pollution. Other environment statistics were collected as part of the NSO work programme in other statistical domains. A considerable amount of these data has already been released. The full set of environment statistics compiled to date is about to be released in a thematic publication on environment statistics.

The Environment Statistics Unit ventured into uncharted territory with the launch of the domestic waste survey among households. This survey, the first of its kind in Malta, is being held over one week in every calendar quarter in order to capture the seasonal patterns of household waste disposal. A sample of households, partly chosen from among those households that participated in the Household Budgetary Survey in order to create an overlap and thereby link waste disposal to consumption patterns, are being asked to dispose of their waste in specially coloured and marked garbage bags that are being distributed for the purpose. Waste Management Department personnel then collect these bags and analyse their contents with regard to weight and waste composition categories. Three cycles of this survey have been carried out and analysed. The fourth and last cycle of this survey will be carried out in the last quarter of 2002.

After the successful completion of this survey, the NSO plans to carry out an industrial waste survey as well as surveys on municipal waste and waste generated by hotels and restaurants. Preparations for this survey are already in hand.

In the course of last year, the NSO set about the compilation of the first environment expenditure account for Malta. Initial training in this area has been provided and the necessary methodological preparations for this project are already in hand.

In addition to the above, the NSO participated in and partly co-ordinated the compilation of sustainability indicators for Malta as part of the SI-MO project for sustainability indicators. NSO staff members were also involved in the CAMP project on sustainability indicators.

REGIONAL STATISTICS

The Malta Statistics Authority Act, 2000 placed the onus upon the NSO to collect and compile national statistics that would include, as far as is reasonably possible, a regional perspective. Although traditionally, Malta has collected a variety of statistics on a regional level, the regional dimension in the national statistics programme was widened and strengthened even further.

A new geographical classification for the Maltese Islands was drawn up in line with *Nomenclature des Unités Territoriales et Statistiques* (NUTS) in use on the European mainland. This classification was recognised and accepted by Eurostat for the collection and compilation of regional statistics in the Maltese Islands.

Wherever possible, the NSO is releasing statistical information on the basis of this geographical classification. A regional statistics database is being compiled. This is to be followed up by a specific publication on regional statistics and indicators.

ANNEXES: NSO POLICIES

ANNEX I

CONFIDENTIALITY OF PERSONAL AND COMMERCIAL DATA

The National Statistics Office (NSO) holds and processes various data that are confidential because they are either personal or commercially sensitive. The Malta Statistics Authority Act XXIV of 2000 provides for the rigorous protection of personal and commercial data.

Section 17 of the Act stipulates that:

“Every person appointed as an officer of statistics shall, before assuming such duties, subscribe to the oath contained in the Second Schedule.”

Section 40 of the Act states that:

“All information furnished by any person, undertaking or public authority under this Act shall be used only for the purpose of statistical compilation and analysis.”

Section 41 of the Act provides that:

- “No information obtained in any way under this Act which can be related to an identifiable person or undertaking shall, except with the written consent of that person or undertaking or the personal representative of next-of-kin of that person, if he be deceased, be disseminated, shown or communicated to any person or body except-
 - (a) for the purposes of a prosecution for an offence under this Act, or
 - (b) to officers of statistics in the course of their duties under this Act
- The Minister may, with the concurrence of the Authority, by regulations, from time to time, prescribe such further prohibition on the disclosure of identifiable records or information obtained under this Act, as he may deem appropriate.”

Then section 44 of the Act, inter alia, provides that:

“Without prejudice to any other liability under any other law, any person who – misuses information provided under this Act or wilfully discloses information relating to any identifiable person or undertaking; shall be guilty of an offence and shall be liable, on conviction, to a fine (multa) of not less than one thousand

liri, or to an imprisonment for a term not exceeding six months or to both such fine and imprisonment.”

In addition to the above, section 45 of the Act further provides for the following: “Without prejudice to any other liability under any other law, any officer of statistics who –

- acts in contravention of the oath referred to in article 17; or
- in the pretended performance of his functions as such officer, obtains or attempts to obtain, from a person or undertaking, any information which he is not lawfully entitled to obtain from that person or undertaking; or
- wilfully fails to return to the Office a document or record collected from a person or undertaking under this Act, or fails to keep any document or record containing information, collected under this Act, in his custody in such manner as to ensure that unauthorized persons will not have access thereto, shall be guilty of an offence, on conviction, be liable to a fine (multa) not exceeding one thousand liri or to imprisonment for a term not exceeding one year, or to both such fine and imprisonment.”

Specific measures are taken to adhere to the provisions of the Statistics Act and to preserve the confidentiality and security of data:

All NSO staff members are required to undertake a confidentiality oath or sign a confidentiality declaration upon starting their assignment with the office.

Each set of confidential data is controlled by the Heads of the statistical units who are responsible for protecting confidentiality.

Access to confidential data must be authorised by the appropriate Heads of Unit. Confidential data held for statistical purposes may not be used for other purposes, except where expressly permitted by legislation or where the prior permission of the data providers has been obtained.

Statistical Units do not publish or otherwise release statistics unless they are satisfied that there is virtually no risk to confidentiality. Outputs are scrutinised with the aim of ensuring that the risk of identification, even indirect, of individuals is effectively eliminated.

Internal access to identifiable individual data is only available on a need to know basis.

The NSO does not provide access to confidential data in its possession to persons outside the office.

Consultants and contractors employed by the NSO are subject to the same confidentiality constraints and disciplines as NSO staff members. They are required to undertake a confidentiality oath or sign a confidentiality declaration appropriate to the work on which they are employed.

Some statistical projects require the collection and storage of names and addresses. Records that include names and addresses or other information that may identify an individual are subject to controls to prevent unauthorised linkage with other data. The preferred control mechanism is to maintain the plain text information in separate files.

Authorised access to such files is restricted to those with a specific requirement for the plain information.

The NSO informs those who directly provide it with personal and commercial data of the intended use of the data. Where data are received from other organisations, any confidentiality undertakings given at the time of collection are respected.

Confidentiality is also extended to data that would have been initially collected for administrative purposes and to which the NSO is granted access.

Where appropriate, NSO staff members receive appropriate training in IT security matters, and standards and guidelines are available to help ensure that IT security is maintained. Statistical Units do not release details of IT systems and security measures that might compromise the confidentiality or security of the data they hold.

ANNEX II

REDUCING THE BURDEN ON DATA PROVIDERS: THE WAY FORWARD

Section 7 (b) of the Malta Statistics Authority Act states that one of the functions of the Authority is “to regulate and to generally supervise the production of official statistics in accordance with international requirements and standards”. This regulatory and supervisory function is first and foremost to be exercised in relation to the work carried out by the National Statistics Office.

The primary function of the National Statistics Office is to collect, compile and release official statistics that are produced “subject to the principles of reliability, objectivity, relevance, statistical confidentiality, transparency, specificity and proportionality” (Section 10(2)(b)). Three of the key principles here are “relevance”, “specificity” and “proportionality.” In the context of the present policy paper, these principles mean that the NSO should ensure that all data collection projects are:

- relevant to the objectives to be achieved;
- specific to the objectives to be achieved and hence properly and clearly linked to actual requirements;
- tailored in a manner that ensures a balance between actual data requirements and the data collection and compilation project.

In practice these principles make it incumbent on the NSO to adopt and maintain data collection practices that are reasonable in the context of its actual data requirements and certainly not in excess of them.

The NSO is also bound by the *Fundamental Principles of Official Statistics* in the Region of the Economic Commission for Europe as adopted by the United Nations Economic Commission for Europe on 15 April 1992. These principles state, among other things, that “data for statistical purposes may be drawn from all types of sources, be they statistical surveys or administrative records. Statistical agencies are to choose the source with regard to quality, timeliness, costs and the burden on respondents.”

In the context of the above, and ever conscious of the increasing response burdens, including significant resource allocations and costs, that are being placed on data providers, the NSO shall:

- introduce an ongoing review process of all current data collection practices in order to avoid overlap or duplication;
- critically review all data collection programmes in place so as to validate and assess their continued relevance to actual requirements and current objectives;
- endeavour to limit the number of new censuses and surveys and undertake not to introduce new ones unless absolutely necessary;
- explore and evaluate the increased use of administrative records as alternative sources of data to censuses and surveys;
- undertake to create the right synergies between the different public sector data collection projects in order to ensure maximum utilisation of the outputs from such projects, thereby reducing response burdens;
- formulate questionnaires that are clear and concise in order to minimise response difficulties and the time spent by respondents in answering them;
- keep to a minimum the number of data variables to be collected in questionnaires and ensure their strict relevance and proportionality to actual information needs;
- introduce technologies that reduce the number of paper questionnaires, thereby rendering the data collection process more efficient and effective for both the data provider and the NSO.

ANNEX III

RIGHTS AND DUTIES OF THE NSO AND DATA PROVIDERS

REFERENCES TO THE ACT OR TO SECTIONS OF IT RELATE TO THE MALTA STATISTICS AUTHORITY ACT (ACT XXIV) 2000

The core functions of the National Statistics Office are the collection, compilation, extraction and release of official statistics relating to the demographic, social, environmental, economic and general activities and conditions of Malta.

In order to fulfill these functions the Director General of the NSO “may prepare forms, questionnaires and other records for the collection of information and the instructions necessary for their proper completion, and shall specify the date or period within which these completed forms, questionnaires and other records or the required information shall be returned to the Authority” (Section 35).

Section 36 states that “notwithstanding anything contained in any other law enjoining secrecy, the Director General or an officer of statistics may, for the purposes of obtaining statistical information ... require any person or undertaking to:

- Complete a form, questionnaire or any other record;
- Answer any questions; and
- Provide any information or records ... ”

All the information collected from persons or undertakings is subject to statistical confidentiality and, therefore, all those working in the NSO have an obligation to respect all the legal provisions relating to confidentiality. Moreover, according to Section 10(2)(b) “individual information in identifiable form, collected for statistical purposes, shall not be used for other purposes than as provided for in the Act ”. In practice this means that all the information collected for statistical purposes cannot be used for any other purpose except for the production and dissemination of statistics in a global form.

In requesting information from persons and undertakings, the Director General and the NSO are duty-bound to specify:

- The general nature of the information required;

- The frequency with which it is to be provided, and
- The persons or undertakings, or classes of persons or undertakings, required to provide it (see Section 36)

In the interests of transparency the Director General and the NSO are also duty-bound to inform data providers of the reasons for the collection of the requested information.

In collecting information the NSO is also bound by other principles (see Section 10(2)(b)), including those of “specificity” and “proportionality”. These principles impose the duty on the Director General and the NSO to request information that is specific both in nature and in direct relevance to the statistical project in hand, and that is proportional to actual needs and requirements. This latter principle obliges the Director General and the NSO to minimize response burdens on both individuals and undertakings.

On their part, persons and undertakings are obliged to:

- Co-operate and provide correct and full information for statistical purposes (see Section 43(1)(b));
- Provide the requested information on time and within the deadline fixed by the office (see Section 43(1)(a));
- Grant access to the Director General or an officer of statistics to such records that might be indicated by the Director General as containing information that is to be used for statistical purposes (see Section 38).

Part 9 of the Act, entitled “Offences and Penalties” and in particular, Section 43 stipulates the following:

- The Authority may impose administrative penalties amounting to:-
 - a. fifty liri on any person for failure to respect the deadline for the provision of information laid down pursuant to Section 36; and
 - b. one hundred liri on any person who fails, refuses to provide, or provides incorrect information, on any requested information in response to a request from the Director General under the provisions of Section 36 or 39.
 - c. Any person who, being required to furnish a questionnaire for a particular period, does not furnish that questionnaire within the time

laid down in the relevant questionnaire shall be liable to an administrative penalty of fifty liri, for every month or part thereof that elapses from the date by which the questionnaire should have been furnished.

- d. Any person who receives a questionnaire, but is no longer subject to answering that questionnaire, shall so inform the Office. Failure to inform the Office as aforesaid will render such person liable to an administrative penalty of fifty liri, for every month or part thereof that elapses from the date by which the questionnaire should have been furnished.
- e. Any administrative penalty to which a person becomes liable in terms of this Act shall be due and payable by that person, and that person shall not be relieved from a higher or from a further penalty to which he may have become liable in terms of the relevant provisions of this Act.
- f. Any penalty under subarticle (1) shall again become due when a new deadline is set by the Office for compliance. Penalties under subarticle (2) shall accrue until the information required is provided.
- g. In special cases, where there are very compelling reasons to do so, the Authority may waive compulsory penalties wholly or in part.
- h. Administrative penalties shall be due to the Authority as a civil debt, and the provisions of Article 466 of the Code of Organization and Civil Procedure, shall, *mutatis mutandis*, apply thereto.”

ANNEX IV

PUBLICATION ARRANGEMENTS FOR STATISTICS

The objective of these publication arrangements is to preserve the independence and impartiality of the National Statistics Office (NSO) in the release of statistics. In adhering to these publication arrangements, the NSO aims to ensure:

- increased knowledge of its statistical compilations and collections;
- equal opportunity in and improved access to NSO statistical collections;
- increased availability of the methods and practices supporting statistical compilations and collections.

Therefore, in furthering these objectives the NSO will release its statistics in accordance with the following policies, arrangements and practices:

- All statistical releases must conform to the provisions of the Malta Statistics Authority Act, 2000 or the Census Act, 1948;
- All official statistics will be released in a manner that promotes equality of access by users;
- Statistics will be released at the earliest possible date after compilation;
- The time of publication for statistical News Releases will be 11.00 am;
- Joint publication of statistical information with other entities must be consistent with the publication policies, arrangements and practices contained herein;
- Widespread and equal access to key statistics will be promoted through the use of the print and audio-visual media and other public information service providers;
- The NSO does not need and will not seek the approval of Cabinet Ministers prior to the release of its statistics;
- The content of statistical releases is the sole responsibility of the Director General of the National Statistics Office. In releasing statistics no interpretation or unreasonable selection of material is carried out by the NSO. Statistical information is presented clearly and impartially alongside commentary in order to enable wide understanding. Comments on the implications of the statistics for the current state of the economy, the state of society or the effectiveness of Government policies or programmes are

never made. Neither are comments on the policies of Government in general;

- Ministerial commentary is never included in any NSO publication. Whenever appropriate, any such comments are issued separately by the Ministries themselves and on their own initiative;
- Copies of NSO publications are regularly made available to public officials on their release date. However, NSO News Releases may be sent to Cabinet Ministers twenty-four (24) hours prior to release in order to avoid them being caught unawares upon the release of the data. Access to any work-in-progress is on a need-to-know basis only;
- Statistics that are published in annual publications only may be made available prior to publication to public officials for policy and operational purposes (including the answering of Parliamentary Questions) and to the general public on request. All such statistics are labelled “provisional” until the final publication is released by the NSO;
- All statistical releases will protect the confidentiality of individual respondents;
- Knowledge of statistical methods and practices will be made available to users of official statistics;
- The NSO will follow statistical standards where they exist;
- The NSO notifies users of any errors in releases as soon as these are detected.

ANNEX V

PRICING POLICY

INTRODUCTION

Easy and widespread access to official statistics on the economic and social condition of a country and its population is considered essential. Open access to statistics is a prime requisite of the democratic process within the country.

The National Statistics Office (NSO) works towards an exhaustive distribution of its statistical output to clients through various media. News Releases are disseminated through the mass media or broadcast electronically to clients either for free or at a nominal charge. All the other publications are provided to clients either on an exchange basis or at a price. However, the NSO also provides extensive statistics on all areas on its website for free.

Market signals through the price mechanism are used by the NSO to assist with the efficient supply and distribution of its statistical information to anyone wanting to have their own copies of publications and access to other unpublished statistics or to other NSO products.

OBJECTIVES

The NSO pricing policy is intended to serve three main purposes:

- to enable the demand for NSO products and services to be used as a more reliable indicator of how NSO resources should be utilised;
- to encourage users to analyse and address their real needs for NSO products, both regarding statistics and services; and
- to relieve taxpayers of those elements of the cost of the statistical services which have a specific and identifiable value to particular users.

The balancing of public good obligations and user pays principle underpins the pricing policy of the NSO.

PUBLIC GOOD OBLIGATIONS

To meet its public good obligations, the main findings of statistical collections and statistical reports on matters of public interest are made available free of charge to the community through:

- the media or the NSO website via Internet;
- distribution of publications and other selected special releases to libraries and other public and non-public institutions;
- complimentary copies of all NSO publications to various interest groups;
- Data provision services offered by the NSO Library and Information Unit to clients for free or at a nominal charge;

In addition to the above, all NSO publications are sold at subsidised prices in order to render them more accessible to whoever might require them.

USER PAYS PRINCIPLE

Copies of NSO publications obtained for private use are sold via subscription or book-shop services. All publications are presently priced at either below actual production costs or at a price that would recover all production costs.

NSO policy on its standard products containing the more detailed statistics of widespread interest is to gradually move towards the full recovery of production, marketing and distribution costs.

Users wanting more detailed and specialised information other than that published in standard products are required to pay for all costs (including overheads) incurred beyond the costs of collection and production of statistics from which the information is extracted.

The charging policy is intended to shift some of the costs from the general taxpayer to the user of statistics. The charges are not intended to cover the substantial costs associated with data collection, processing and production but to help users focus more properly on actual needs and to improve the efficiency and effectiveness of the statistical service.

CALCULATING CHARGES

With the exception of publications, prices for specialised products and services generally incorporate one or more of the following components:

- Labour - an hourly charge calculated on the time taken to provide the specialised product or service;
- Infrastructure - based on the facilities used to provide the product or service. The infrastructure component of the NSO charging policy aims to recover

the various system and computing costs associated with providing statistical information to clients.

- Direct costs - any costs incurred in providing the product or services.

Clients requiring a specialised product or service from the NSO are provided with a cost estimate for the requested product or service upon the submission of their request to the NSO. Time frames in respect of product and service delivery are also provided. NSO staff work on such requests only when clients agree to the indicated terms and conditions for the provision of the required product or service.

ANNEX VI

MEDIA POLICY

Public confidence in official statistics is a vital ingredient of democracy. True democracy is based upon a full and unbiased flow of information and access to it. In the dissemination of its information, the National Statistics Office recognises that the news media, finely tuned to public attitudes and needs, are important partners. The news media have the potential to raise a high degree of public awareness and interest; for this reason, they are invaluable partners to a statistical office that seeks to build confidence and trust in the information it releases. In this light, the NSO seeks to abide by the following principles:

- National and international journalists are provided with easy access to relevant and correct statistics that have been compiled according to transparent and internationally-accepted methodologies. The NSO makes no distinction between journalists working for television stations, radio stations and newspapers, whatever their affiliation, and freelancers.
- Whenever appropriate, journalists are provided with yearbooks, topic publications, analyses, etc. which have been prepared on the basis of already-published information.
- Information is disseminated to the news media in a comprehensible manner. The NSO makes no assumption regarding any specialised knowledge on the part of journalists in the field of statistics. Hence, it is responsible for the clarity and coherency of the statistics it releases.
- The statistical units of the NSO are briefed to cooperate with the news media in statistical matters regarding their particular subject-area. In its day-to-day contact with the news media, the NSO empowers the heads of the various statistical units, or indeed any other employee designated by the Director General, to comment on or to clarify aspects of the statistics for which they are responsible.
- If for some reason it is impossible to contact the statistical unit concerned, journalists are free to contact the Library and Information Unit whose staff will then deal with the query, either on the spot or by re-directing it to an alternative source.

- The NSO sees to it that enquiries from the news media are dealt with quickly and decisively. An employee tackling an enquiry from a journalist is responsible for:

Passing it on to the appropriate person **or**

Passing it on to the Library and Information Unit

In dealing with enquiries from the news media, the Library and Information Unit can be considered as a primary source for NSO statistics, in line with the statistical units responsible for originating the information.

NEWS RELEASES

- News releases are published at 11.00 am and are made simultaneously available to everyone including the news media via e-mail, fax and the Internet.
- For every news release, the NSO tries to ensure that the design and layout enhances the usefulness of the news content to the media, i.e., clear and concise, with the most important news items tackled first. In this, the NSO seeks to avoid the classic 3Ds associated with statistics - they should not be made to seem dull and dry as dust.
- The initiative to issue a news release may originate from the Director General's office or from the statistical units. The text, tables and graphics are provided by the statistical units. The final editing of the text and touches regarding layout are carried out by the Library and Information Unit in dialogue with the statistical unit originating the news release.

MISCONCEPTIONS, ERRORS AND CRITICISM

- The NSO may respond to any misunderstandings or errors regarding its statistics as reported in the news media. Likewise, it may react to criticism based upon these errors.
- Where an error in the text or statistics released by the NSO to the news media is detected, this is promptly rectified by means of an additional news release. Corrections and rectifications are also applicable to the figures disseminated by means of the Internet.

- The initiative to respond or to rectify, as the case be, may originate from the Director General's office or from the Library and Information Unit.
- The Director General is responsible for deciding whether to respond to criticism carried in the news media of any aspect of the work carried out by the NSO. He is also responsible for the manner with which to respond, i.e., by means of a verbal or written contribution, by means of support to the statistical unit concerned, or by means of a discussion paper formulated by the NSO.
- The Library and Information Unit oversees the news media on a daily basis and makes sure that media mentions are brought to the notice of the statistical units and the Director General's office.

RELATIONSHIP WITH THE NEWS MEDIA

- It is in the interest of the NSO that its publications and statistics are featured in the news media, for stories as well as for news items. Consequently, all statistical products, be they publications, CDs, statistics on diskettes or otherwise, are free of charge to the media. Supplementary data are also free of charge to the media if they are already available within the statistical unit or can be compiled by means of limited efforts. In the case of individual service products, the news media may be charged for cost recovery at the same rate as all the other NSO clients.
- The statistical units and the Library and Information Unit endeavour to be aware of new angles to already-published statistics that could interest journalists. The Library and Information Unit assists journalists to contact the right quarters in this respect.
- The NSO encourages the employees who may have to deal with the news media to keep themselves informed of the NSO's day-to-day and long-term activities and projects.
- Invitations to NSO conferences, seminars and workshops are regularly sent out to members of the news media. Press conferences announcing new projects or changes in methodologies are normally held on the NSO premises.